

2007 ALBANY SESSION BEGINS

SPITZER OUTLINES PRIORITIES

Governor Eliot Spitzer delivered his first address to the state legislature on January 3rd. His theme is "One New York." It is obvious that he views the state as one unit and not upstate and downstate, and he emphasized that throughout his one hour and ten minute address to the legislature. By and large, his remarks were warmly received, especially in such areas as reducing local real property taxes; providing better education for elementary school children; revising the school aid formula; and his pledge for no new taxes during 2007.

Of interest to many businesses in New York was his pledge to attack the worker's compensation system and improve it so that employers get better value and injured workers have the opportunity to return to work. In addition, his pledge to revise the Wick's Law should be good news for a variety of governments who are forced to put out four separate contracts on a public works job, as opposed to using one general contractor. This has become costly and burdensome for governments throughout the state. Interestingly, Mr. Spitzer did not recommend that the Wick's Law be scrapped, but rather that it be modified. It is his goal to raise the ceiling so that more jobs can be done on a single contract, as opposed to four contracts.

Undoubtedly, the new Governor, even though he has called for ethics reform by the legislature, will enjoy some type of honeymoon, however brief. It is obvious that Spitzer, having gotten 67% of the popular vote, intends to use his position as a bully pulpit in the months ahead. He has strong public support and has not shown any lack of willingness to go to the people if he thinks he is right.

All in all, Spitzer's remarks were generally well received with Senate Majority Leader, Joseph Bruno, saying that the Governor's agenda was his agenda, and Speaker Sheldon Silver, who may be challenged for power by the Governor, generally endorsing all of Spitzer's proposals.

Only time will tell which power force will prevail in Albany, but Spitzer is off and running with a people's message to the taxpayers of the state, which will get a lot of media support and put the legislative leaders in a box, should they resist some of his changes.

The Spitzer address was a sharp contrast to previous speeches by then Governor Pataki. Pataki had many opportunities to offer some of the same things that Spitzer did, but Pataki had basically lost interest in the operation of state government during the past two terms, and his opportunities were lost to him.

The new proposed state budget will be out on January 30th, and there will be a further report on the comments of same and how it relates to business and government in our state.